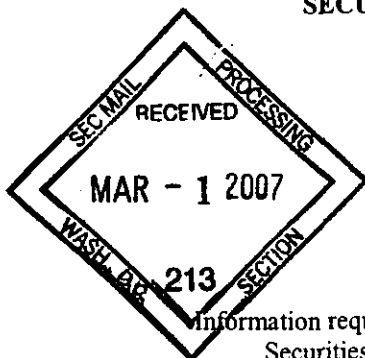


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SECURITIES COMMISSION

Wa 07004868 20549



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|--------------|
| SEC FILE NO. |
| 8-66930 |

ANNUAL AUDITED REPORT
FORM X-17A-5
PART III

FACING PAGE

Information required of Brokers and Dealers Pursuant to Section 17 of the Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING 01/01/06 AND ENDING 12/31/06
mm/dd/yy mm/dd/yy

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

COLUMBIA WEST LLC

Capital
(CWC)

OFFICIAL USE ONLY

FIRM ID. NO

ADDRESS OF PRINCIPAL PLACE OF BUSINESS (Do not use P.O. Box No)

14646 N. KIERLAND BLVD., SUITE 238

(No and Street)

SCOTTSDALE

(City)

ARIZONA

(State)

85254

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

KALEY PARKINSON

(480) 664-3949

(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose option is contained in this Report*

Ernst Wintter & Associates, Certified Public Accountants

(Name - if individual, state last, first, middle name)

675 Ygnacio Valley Road, Suite B-213,

(Address)

Walnut Creek,

(City)

California

(State)

94596

(Zip Code)

CHECK ONE:

- ☒ (X) Certified Public Accountant
☐ () Public Accountant
☐ () Accountant nor resident in United State or any of its possession.

PROCESSED

APR 09 2007

FOR OFFICIAL USE ONLY

THOMSON
FINANCIAL

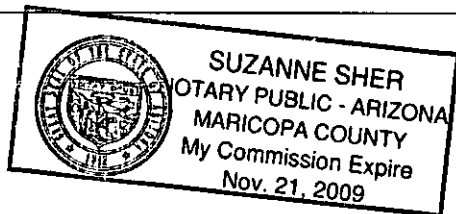
*Claims for exemption from the requirement that the annual report be covered by the option of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240.17a-5(e)(2).

AB
4/9

OATH OR AFFIRMATION

I, **KALEY PARKINSON**, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of **COLUMBIA WEST CAPITAL, LLC**, as of **DECEMBER 31, 2006**, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

NONE



K. Parkinson
Signature

Managing Director
Title

Suzanne Sher
Notary Public

This report** contains (check all applicable boxes):

- | | | |
|-------------------------------------|-----|---|
| <input checked="" type="checkbox"/> | (a) | Facing page. |
| <input checked="" type="checkbox"/> | (b) | Statement of Financial Condition. |
| <input checked="" type="checkbox"/> | (c) | Statement of Income (Loss). |
| <input checked="" type="checkbox"/> | (d) | Statement of Cash Flows. |
| <input checked="" type="checkbox"/> | (e) | Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's Capital. |
| <input type="checkbox"/> | (f) | Statement of Changes in Liabilities Subordinated to Claims of Creditors. |
| <input checked="" type="checkbox"/> | (g) | Computation of Net Capital. |
| <input checked="" type="checkbox"/> | (h) | Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3. |
| <input checked="" type="checkbox"/> | (i) | Information Relating to the Possession or control Requirements Under Rule 15c3-3. |
| <input checked="" type="checkbox"/> | (j) | A Reconciliation, including appropriate explanation, of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirement Under Exhibit A of Rule 15c3-3. |
| <input type="checkbox"/> | (k) | A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation. |
| <input checked="" type="checkbox"/> | (l) | An Oath or Affirmation. |
| <input type="checkbox"/> | (m) | A copy of the SIPC Supplemental Report. |
| <input type="checkbox"/> | (n) | A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit. |
| <input checked="" type="checkbox"/> | (o) | Independent Auditor's Report on Internal Accounting Control. |

**For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

Columbia West Capital, LLC

Annual Audit Report

December 31, 2006

ERNST WINTTER & ASSOCIATES
Certified Public Accountants

Columbia West Capital, LLC

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675 Ygnacio Valley Road, Suite B-213
Walnut Creek, California 94596

(925) 933-2626
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Independent Auditor's Report

Members

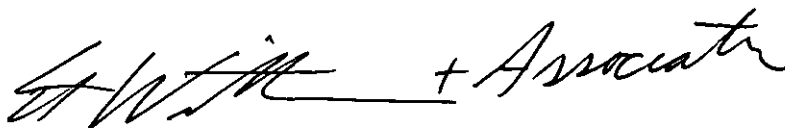
Columbia West Capital, LLC
Scottsdale, Arizona

We have audited the accompanying statement of financial condition of Columbia West Capital, LLC (the Company) as of December 31, 2006, and the related statements of income, changes in members' equity, and cash flows for the year then ended that you are filing pursuant to rule 17a-5 under the Securities Exchange Act of 1934. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Columbia West Capital, LLC at December 31, 2006, and the results of their operations and their cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in Schedules I & II is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by rule 17a-5 of the Securities Exchange Act of 1934. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

 + Associates

February 26, 2007

Columbia West Capital, LLC

Statement of Financial Condition

December 31, 2006

Assets

| | |
|---|-------------------|
| Cash and cash equivalents | \$ 41,196 |
| Accounts receivable | 42,523 |
| Furniture and equipment, net of \$4,515 accumulated depreciation | 11,573 |
| Prepaid expenses and deposits | <u>11,685</u> |
| Total assets | <u>\$ 106,977</u> |

Liabilities and Members' Equity

| | |
|---------------------------------------|-------------------|
| Members' equity | <u>\$ 106,977</u> |
| Total liabilities and members' equity | <u>\$ 106,977</u> |

See independent auditor's report and accompanying notes.

Columbia West Capital, LLC

Statement of Income

For the Year Ended December 31, 2006

Revenues:

| | |
|-------------------------------|--------------|
| Commissions and advisory fees | \$ 677,890 |
| Interest and dividend income | <u>3,377</u> |
| Total revenue | 681,267 |

Expenses:

| | |
|-----------------------------|----------------|
| Compensation | 506,428 |
| Legal and professional fees | 34,936 |
| Rent | 34,819 |
| Bad debt expense | 5,279 |
| Depreciation | 3,915 |
| Other operating expenses | <u>60,945</u> |
| Total expenses | <u>646,322</u> |

| | |
|------------|-------------------------|
| Net income | <u><u>\$ 34,945</u></u> |
|------------|-------------------------|

See independent auditor's report and accompanying notes.

Columbia West Capital, LLC

Statement of Changes in Members' Equity

For the Year Ended December 31, 2006

| | |
|--------------------------------------|--------------------------|
| Members' Equity at December 31, 2005 | \$ 72,032 |
| Net income | <u>34,945</u> |
| Members' Equity at December 31, 2006 | <u><u>\$ 106,977</u></u> |

See independent auditor's report and accompanying notes.

Columbia West Capital, LLC

Statement of Cash Flows

For the Year Ended December 31, 2006

CASH FLOWS FROM OPERATING ACTIVITIES

| | |
|---|----------------|
| Net income | \$ 34,945 |
| Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities: | |
| Depreciation | 3,915 |
| (Increase) decrease in: | |
| Accounts receivable | (22,000) |
| Prepaid expenses and deposits | <u>(8,403)</u> |
| Net cash provided (used) by operating activities | 8,457 |

CASH FLOWS FROM INVESTING ACTIVITIES

| | |
|-----------------------|----------|
| Purchase of equipment | (12,360) |
|-----------------------|----------|

CASH FLOWS FROM FINANCING ACTIVITIES

| | |
|--|-------------------------|
| | <u>0</u> |
| Net increase (decrease) in cash and cash equivalents | (3,903) |
| Cash and cash equivalents, beginning of year | <u>45,099</u> |
| Cash and cash equivalents, end of year | <u><u>\$ 41,196</u></u> |

See independent auditor's report and accompanying notes.

Columbia West Capital, LLC

Notes to the Financial Statements

December 31, 2006

(1) Organization

Columbia West Capital, LLC (the Company) was formed as a Delaware limited liability company on January 1, 2006. The Company is a registered securities broker dealer and was accepted as a member of the National Association of Securities Dealers in August 2006. Operating out of Phoenix, Arizona, the Company provides mergers and acquisition and private placement investment banking and related advisory services.

(2) Summary of Significant Accounting Policies

Investment Banking Fees

Investment banking revenues are earned from providing merger and acquisition and private placement advisory services. Revenue is recognized when earned either by fee contract or the success of a predetermined specified event and the income is reasonably determinable. The Company may receive securities as part of its investment banking fee income. The amount of revenue recognized is determined based on management's estimate of the fair market value of the securities earned.

Cash and Cash Equivalents

The Company considers all demand deposits held in banks and certain highly liquid investments with maturities of 90 days or less, other than those held for sale in the ordinary course of business, to be cash equivalents.

Accounts Receivable

The Company considers accounts receivable to be fully collectible, and accordingly, no allowance for doubtful accounts has been provided. If amounts become uncollectible, they will be charged to operations when that determination is made.

Property and Equipment

Property and equipment are valued at cost. Depreciation is being provided by the use of accelerated and straight-line methods over the estimated useful lives of the assets.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Columbia West Capital, LLC

Notes to the Financial Statements

December 31, 2006

(3) Summary of Significant Accounting Policies (continued)

Fair Value of Financial Instruments

Unless otherwise indicated, the fair values of all reported assets and liabilities that represent financial instruments (none of which are held for trading purposes) approximate the carrying values of such amounts.

Income Taxes

The Company, a limited liability company, is taxed as a partnership under the Internal Revenue Code and a similar state statute. In lieu of income taxes, the members are taxed on their proportionate share of the Company's taxable income. Therefore, no provision or liability for federal or state income taxes is included in these financial statements.

(3) Net Capital Requirements

The Company is subject to the Securities and Exchange Commission's uniform net capital rule (Rule 15c3-1) which requires the Company to maintain a minimum net capital equal to or greater than \$5,000 and a ratio of aggregate indebtedness to net capital not exceeding 15 to 1, both as defined. At December 31, 2006, the Company's net capital was \$41,196, which exceeded the requirement by \$36,196.

(4) Risk Concentrations

Due to the nature of the merger and acquisition business, the Company's revenue during the period was primarily the result of a few transactions. Approximately 47% of revenue was generated from one customer.

(5) Lease Obligations

The Company leases office space in Phoenix, Arizona. The lease began on July 1, 2006 and expires on July 31, 2010. The future annual minimum lease payments are as follows:

| <u>Year</u> | <u>Amount</u> |
|-------------|-------------------|
| 2007 | \$ 47,083 |
| 2008 | 48,265 |
| 2009 | 49,447 |
| 2010 | 29,189 |
| | <u>\$ 173,984</u> |

SUPPLEMENTAL INFORMATION

Columbia West Capital, LLC

Schedule I

Computation of Net Capital under Rule 15c3-1 of the Securities and Exchange Commission

As of December 31, 2006

| | | |
|---|-----------|-------------------------|
| Net Capital | | |
| Total members' equity qualified for net capital | | \$ 106,977 |
| Less: Non-allowable assets | | |
| Accounts receivable | \$ 42,523 | |
| Furniture and equipment (net) | 11,573 | |
| Prepaid expenses and deposits | 11,685 | |
| Total non-allowable assets | | <u>65,781</u> |
| Net capital | | <u>41,196</u> |
| Net minimum capital requirement of 6.67% of aggregate indebtedness of \$0 or \$5,000, whichever is greater | | <u>5,000</u> |
| Excess net capital | | <u><u>\$ 36,196</u></u> |

Reconciliation with Company's Net Capital Computation (included in Part II of Form X-17A-5 as of December 31, 2006)

| | | |
|---|--|-------------------------|
| Net capital, as reported in Company's Part II of Form X- as of December 31, 2006 | | \$ 41,196 |
| Increase in members' equity | | 1,124 |
| Increase in non-allowable assets | | <u>(1,124)</u> |
| Net capital per above computation | | <u><u>\$ 41,196</u></u> |

Columbia West Capital, LLC

Schedule II

**Computation for Determination of Reserve Requirements
Pursuant to Rule 15c3-3 of the
Securities and Exchange Commission**

For the Year Ended December 31, 2006

An exception from Rule 15c3-3 is claimed, based upon section (k)(2)(ii). All customer transactions are processed in accordance with Rule 15c3-1(a)(2).

**Information for Possession or Control
Requirements Under Rule 15c3-3**

For the Year Ended December 31, 2006

An exception from Rule 15c3-3 is claimed, based upon section (k)(2)(ii).

675 Ygnacio Valley Road, Suite B-213
Walnut Creek, California 94596

(925) 933-2626
Fax (925) 944-6333

Independent Auditor's Report on Internal
Accounting Control Required by SEC Rule 17a-5

Members

Columbia West Capital, LLC
Scottsdale, Arizona

In planning and performing our audit of the financial statements and supplemental schedules of Columbia West Capital, LLC (the Company) for the year ended December 31, 2006, we considered its internal control including control activities for safeguarding securities, in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on internal control.

Also, as required by rule 17a-5(g)(1) of the Securities and Exchange Commission (SEC), we have made a study of the practices and procedures followed by the Company including tests of compliance with such practices and procedures that we considered relevant to the objective stated in rule 17a-5(g) in making the periodic computations of aggregate indebtedness (or aggregate debits) and net capital under rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of rule 15c3-3. Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in any of the following:

1. Making quarterly securities examinations, counts, verifications, and comparisons
2. Recordation of differences required by rule 17a-13
3. Complying with the requirements for prompt payments for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System

The management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls, and of the practices and procedures referred to in the preceding paragraph, and to assess whether those practices and procedures can be expected to achieve the SEC's above-mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.


Because of inherent limitations in internal control or the practices and procedures referred to above, errors or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

Our consideration of internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of the specific internal control components does not reduce to a relatively low level the risk that error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, we noted the following matter involving the Company's internal control and its operation that we consider to be a material weakness as defined above. This condition was considered in determining the nature, timing, and extent of procedures to be performed in our audit of the financial statements of the Company for the year ended December 31, 2006, and this report does not affect our report thereon dated February 26, 2007.

The size of the business and the resultant limited number of employees imposes practical limitations on the effectiveness of those internal control policies and procedures that depend on the segregation of duties. Because this condition is inherent in the size of the Company, the specific weaknesses are not described herein and no corrective action has been taken or proposed by the Company.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures were adequate at December 31, 2006, to meet the SEC's objectives.

This report is intended solely for the information and use of the Board of Directors, management, the Securities and Exchange Commission, the National Association of Securities Dealers and other regulatory agencies which rely on Rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulations of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.

 + Associate

February 26, 2007